



IPAMS
Independent
Petroleum
Association
of
Mountain
States

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April 22, 1999

Mr. David S. Guzy
Chief, Rules and Publications Staff
Minerals Management Service
Royalty Management Program
P. O. Box 25165, MS 3021
Denver, CO 80225-0165



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RE: Establishing Oil Value for Royalty Due on Federal Leases
64 F.R. 12267, March 12, 1999

Dear Mr. Guzy:

The Independent Petroleum Association of Mountain States (IPAMS) hereby submits comments regarding the above-referenced notice reopening the public comment period on the proposed federal crude oil valuation regulations. IPAMS is encouraged that MMS has reopened the comment period and engaged in meaningful discussions with industry in an effort to resolve outstanding concerns with the proposed regulations. For a number of reasons, neither I nor a designated representative of IPAMS was able to participate in the public workshops; however, we have monitored the proceedings closely.

MMS has requested that comments be limited to those not already submitted. Even though IPAMS will not reiterate its earlier comments here, we emphasize that our position with respect to the proposed valuation regulations remains unchanged. We support the industry's position as articulated during the public workshops and in written comments submitted throughout this entire process.

IPAMS is hopeful a procedure can be developed that is workable for both government and industry. Expending the time and effort now will preclude further delay in implementing the regulations and avoid further action by Congress or years of expensive and time-consuming litigation to resolve these issues.

Sincerely,

Carla J. Wilson
Director of Tax and Royalty